



MINUTES

CITY OF HUNTINGTON BEACH PUBLIC WORKS COMMISSION MARCH 16, 2011

**Call to Order/
Pledge of Allegiance:** The meeting was called to order at 5:00 p.m. by Chairman Siersema, who led Commissioners and the audience in the Pledge of Allegiance to the Flag.

Commissioners Absent: Spencer

Commissioners Present: Commissioners Cook, Herbel, McGovern, O'Connell, Siersema, and Thomas were in attendance.

Others Present: Travis Hopkins, Director of Public Works
Tony Olmos, City Engineer
Bob Stachelski, Transportation Manager
Brian Ragland, Utilities Manager
Terri Elliott, Principal Engineer
Ken Dills, Project Manager
Joyce Greene, Administrative Assistant

B. PRESENTATIONS-COMMENDATIONS

None

C. MINUTES

Motion by Commissioner Cook, seconded by Commissioner Herbel to approve the minutes of February 16, 2011 as presented.

VOTE: The motion carried.

AYES: 5

NOES: 0

ABSENT: 1 (Spencer)

ABSTENTIONS: 1 (O'Connell)

D. ORAL COMMUNICATIONS

None

E. DIRECTOR'S ITEMS

Travis Hopkins informed the Public Works Commissioners a written communication had been received from Christian Brethren High School. A copy was distributed to the Commissioners. The letter has been delegated to staff as the issue is not something handled by the Commission. Bob Stachelski, who is handling the request, informed the Commissioners he had contacted the Principal advising him who the contact is at the city. The request is working its way through the normal process.

Travis Hopkins requested the April Public Works Commission meeting date be moved as he will be unavailable on the regularly scheduled date of April 20, 2011. The Commissioners agreed to move the next meeting date to April 13, 2011, 5:00 pm.

Travis Hopkins requested items G-1 through G-3 be heard out of order to allow staff to leave after their particular item was presented. The Commissioners agreed to the change in agenda order.

Travis Hopkins introduced the new Utilities Manager, Brian Ragland. Mr. Ragland has extensive experience with utilities. He most recently worked for the City of Downey. Brian Ragland then provided a brief professional history.

Travis Hopkins introduced Ken Dills, Project Manager, previously with the Utilities Division. With the recent retirement of Linda Daily, Mr. Dills has transferred to City Hall joining the Administration team where his previous experience will be very valuable as we enter budget preparation for the next fiscal year.

- E-1. Review of Public Works Budget Reductions – At the request of the Public Works Commission at the last meeting, a review of Budget Reductions was presented by Travis Hopkins. Over the past two years Public Works has had a nine percent reduction each year. With the PARS retirement incentive offered last year, 40 Public Works employees retired. Most of those positions will not be replaced. This is in addition to other positions that have not been filled due to the hiring freeze. Last fiscal year Public Works had 257 employees and are currently at 199. Some services have been outsourced. As the report was a verbal update, Travis Hopkins will prepare a written report on the reductions and send that report to the Commissioners by email.

Commissioner O'Connell inquired on outsourced work, if performance does not meet city expectations, what can be done. Travis Hopkins responded, as an example, street sweeping is now an outsourced service. The city retained one staff member who inspects the route. If the service level is not met, the city has the option to cancel the contract. Currently, the level of service being received is the same level of service previously provided by city employees.

Commissioner Herbel asked if more staff reductions are planned for the remaining portion of this fiscal year. Travis Hopkins responded there are no additional staff reductions planned for this fiscal year. There may be more reductions in fiscal year 2011/12. The city is currently working with the various employee labor groups for concessions.

Mr. Hopkins stated Public Works is now looking to reduce landscaping costs. Currently there is a favorable market for contracted services. Median landscape is already being outsourced.

Commissioner Cook inquired if street sweeping services could be reduced. Mr. Hopkins responded the city is required by the NPDES permit to sweep streets. The number of times streets are swept could possibly be reduced but that would have some impact on revenue to the city generated by parking violations. The city has sold the street sweeping equipment as requirements are now to have vehicles that run on CNG. CNG requires a specialized garage and equipment for repairs. The city determined it to be more cost effective to outsource.

G. ADMINISTRATIVE ITEMS

- G-1. Planned Local Drainage Facilities Fund Annual Compliance Report Fiscal Year 2009/10 – Ken Dills presented the report along with a PowerPoint presentation. The fund currently has a negative balance with no expenditures in FY 2009/10 and none planned for the current fiscal year. As previously discussed, the fund is owed monies from the Redevelopment Agency, however, it is unclear at this time, if the State eliminates the Redevelopment Agency, what will happen to the fund.

In an attempt to protect some of its assets, the City took action at a recent City Council Meeting by developing a Housing Authority and it transferred Economic Development assets to the city.

Motion by Commissioner Cook, seconded by Commissioner McGovern to recommend to the City Council the approval of the Planned Local Drainage Facilities Fund Compliance Report for Fiscal Year 2009/10.

VOTE:	The motion carried.
AYES:	6
NOES:	0
ABSENT:	1 (Spencer)
ABSTENTIONS:	0

- G-2. Sanitary Sewer Facilities Fund Annual Compliance Report Fiscal Year 2009/10 - Ken Dills presented the report. The fund is a development fee fund with restricted use. Currently, there is a positive balance in the fund. Not included in the report are monies owed to the fund by the Redevelopment Agency. Expenditures for engineering design for the Adams/Ranger lift station and the Oceanhill lift station were included and will continue as expenditures in fiscal year 2010/11.

Commissioner Herbel inquired of any sewer capacity improvements planned. Tony Olmos responded Warner Avenue is the only gravity line, but slip lining projects do improve capacity and those projects continue.

Ken Dills noted this fund consists of development fees and not citizen paid. The use of the funds is restricted. An appropriate use is the video taping of the city sewer lines to identify problem areas to help determine where slip lining projects would be most helpful. Sewer lift station redesign and the sewer lateral program are also appropriate uses for the fund. The Commission requested it be informed of the number of miles of sewer lines video-taped in a year.

Motion by Commissioner Herbel, seconded by Commissioner Cook to recommend to the City Council the approval of the Annual Sanitary Sewer Facilities Fund Compliance Report for Fiscal Year 2009/10.

VOTE:	The motion carried.
AYES:	6
NOES:	0
ABSENT:	1 (Spencer)
ABSTENTIONS:	0

- G-3. Fair Share Traffic Impact Fee Program Annual Report for Fiscal Year 2009/10 - Bob Stachelski presented the report. The program is intended for use of improvements to the street system for increased traffic. Use of the fund is restricted to new facilities and capacity enhancement. The fund had a negative balance at the end of fiscal year 2009/10.

Commissioner Cook questioned if any bicycle enhancement programs were planned. She expressed her interest in seeing the city making a start in that direction.

Discussion on Redevelopment Agency owed funds and if they will ever be received by the fund.

Motion by Commissioner Herbel, seconded by Commissioner Cook to recommend approval of the 2009/10 Traffic Impact Fee Annual Report to the City Council.

VOTE:	The motion carried.
AYES:	6
NOES:	0
ABSENT:	1 (Spencer)
ABSTENTIONS:	0

F. INFORMATION ITEMS

- F-1. Active Capital Project Report – Tony Olmos provided updates on various projects and then asked the Commissioners for any questions.

Commissioner Herbel asked why the Newland Street widening is still incurring costs. Tony Olmos responded it is not construction costs. The contractor has filed a claim and it is currently going through the legal process.

Commissioner O'Connell inquired about street lighting and energy savings. Bob Stachelski responded the city is converting to LED lighting in the downtown area which has a potential to save approximately 80% of lighting costs. The downtown area is approximately 15% of the city street lights. SCE maintains the other 85% of the city street lights. Commissioner O'Connell then asked if SCE would be installing LED lighting throughout the remainder of the city. Mr. Stachelski responded the initial cost of the equipment is quite expensive. The cost recovery through lower electricity use is over a long period of time in addition to a longer period of time before equipment replacement is needed which is calculated into the savings. The cost for SCE to change out all lighting to LED would be very expensive. Discussion ensued.

Commissioner McGovern inquired if the sanitation district is still considering the possibility of taking over the Warner Avenue gravity sewer. He also inquired if the new design is being built to city standards or to sanitation district standards. Travis Hopkins responded with the Sunset Beach annexation now part of the equation, the new design will be to city standards. It is highly unlikely the sanitation district will take over the gravity sewer with the annexation of Sunset Beach.

- F-2. Prioritization Of Infrastructure Needs and Identification of Potential Funding Sources – Travis Hopkins gave a PowerPoint presentation. At this meeting the Commissioners were looking specifically at the potential of a Storm Drain Fee. The fee would be subject to Proposition 218. Criteria were presented.

The cost per dwelling would be approximately \$3 per month and if equipment costs were included it would be approximately \$4 per dwelling per month. Commissioner Cook asked if the city was considering tiered water rates. Discussion ensued.

Travis Hopkins stated the direction from City Council was for staff to look at possible revenue generating options. A fee could be structured to cover costs that are now paid by the General Fund and include equipment replacement costs.

Commissioner McGovern inquired where the idea of a storm drain fee originated. Travis Hopkins responded the concept has been a consideration for some time. The Storm Drain Fee Analysis memo included with the item is from January 2010. Public Works was directed by the City Council to investigate. Commissioner McGovern then stated he sees this as a way to increase the General Fund. He has concerns of it being initiated as a revenue producer. He stated he believes in water conservation and other water issues but has concerns over a storm drain fee.

Commissioner O'Connell said he is opposed to any new fee. Commissioner Herbel stated he was in agreement with Commissioner O'Connell. Several Commissioners expressed they felt the costs incurred in an effort to try and pass a new fee would be wasted money. Discussion ensued.

To summarize, the consensus of the Public Works Commission is not in favor of implementing a storm drain fee.

The Commission asked for more information/education on tiered water rates. The opinion of the Commission is tiered water rates are acceptable and not intended as a revenue source for water but to be used to encourage water conservation.

Travis Hopkins then referred to the infrastructure ranking list for unfunded items. The Commissioners then discussed they would like to breakdown some of the categories. The Public Works Commissioners felt categories listed for Public Works are not Public Works issues and would like them eliminated from the list. Commissioners were asked to email Travis Hopkins, within one week of this meeting, the items they would like to see included in the ranking list. Travis Hopkins will then combine item submitted and create a new list that will be emailed back to the Commissioners for each to rank and bring to the next meeting.

I. WRITTEN COMMUNICATIONS

Letter from Christian Brethren High School presented earlier at the meeting.

J. COMMISSION AND STAFF COMMENTS

Chair Siersema inquired on the status of the Sunset Beach annexation and if the annexation will have additional financial costs. Travis Hopkins responded Sunset Beach shows revenue positive. When the annexation is complete, Public Works will receive an allocation during the budget preparation.

Currently there is a lawsuit against the city challenging taxation by Sunset Beach residents. This must be resolved prior to the annexation.

K. ADJOURNMENT

The meeting adjourned at 7:30 pm to April 13, 2011.



Michael Siersema
Chair



Joyce Greene
Administrative Assistant